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**DECISION**

**THE COMPTROLLER GENERAL  
OF THE UNITED STATES**  
WASHINGTON, D. C. 20548

FILE: E-189072

DATE: November 27, 1979

MATTER OF: Fraud--Travel Expense Claims

*Payment of Fraudulent Claims for Travel Expense*

- DIGEST:
1. The decision in 57 Comp. Gen. 664 (1978), holding that where a civilian employee submits a travel voucher wherein part of the claim is believed to be fraudulent, only the expenses for days for which fraudulent information was submitted should be denied, is applicable to military members and non-Government employees traveling pursuant to invitational travel orders as well.
  2. A fraudulent claim for lodgings taints the entire claim for per diem under the lodgings-plus system for days for which fraudulent information is submitted, and per diem payments will not be made to an individual for those days.
  3. A fraudulent claim for lodgings taints the entire claim for an actual expense allowance for days for which fraudulent information was submitted and payments for those days will be denied to the claimant.

This decision amplifies our ruling in 57 Comp. Gen. 664 (1978) concerning payment by the Government to individuals who submit travel vouchers wherein some expenses are fraudulently claimed or inflated. It is issued in response to several questions submitted by the Assistant Secretary of the Army (Manpower and Reserve Affairs) on behalf of the Per Diem, Travel and Transportation Allowance Committee.

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Specifically, the Assistant Secretary poses the following questions:

"a. While the decision [in 57 Comp. Gen. 664] primarily involved travel claims

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of civilian employees, is it equally applicable to military members and non-government employees traveling under invitational travel orders pursuant to the Joint Travel Regulations?

"b. Is the term 'subsistence expenses' as used in 57 Comp. Gen. 664, synonymous with the term 'per diem allowance' as defined in the Joint Travel Regulations, Volume 2, Appendix D \* \* \*?

"c. In Comp. Gen. Decision B-172915 of 27 September 1971, it was ruled that the per diem allowance is an indivisible item of allowance. At that time, the per diem allowance was a flat rate. However, since July 1972, the rate of per diem allowance has been computed on a lodging plus basis (average cost of lodging plus a fixed amount for meals and miscellaneous expenses). This in essence would tend to divide the per diem allowance into two separate segments. For example, if a traveler did not incur any lodging expense because he lodged with friends or relatives, he would still be entitled to a fixed amount (currently \$16.00 per day) for meals and miscellaneous expenses. In view of the revised method of computation, would a claimant who submits a fraudulent lodging receipt be denied not only the amount allowed for lodging, but also the flat rate currently allowed for meals and subsistence expenses?

"d. In those instances when a traveler is under orders which authorize an actual expense allowance, because temporary duty is in a high cost area, and a fraudulent lodging receipt is submitted with a travel claim, is the traveler to be denied not only the amount claimed for the lodging, but also the amount claimed for

meals, laundry, pressing, and the cleaning of clothes and other expenses?"

Our answer to question a is yes. The decision in 57 Comp. Gen. 664 does apply to military members and non-Government employees traveling under invitational travel orders. We note that 57 Comp. Gen. 664, although dealing primarily with civilian personnel, expressly modifies our prior decision in B-172915, September 27, 1971, discussing fraudulent claims submitted by military personnel, indicating thereby that the scope of 57 Comp. Gen. 664 is not limited solely to civilian personnel.

Question b seeks clarification of the term "subsistence expenses" as it is used in 57 Comp. Gen. 664, 667. There we held that for subsistence expenses the voucher should be separated according to individual days, each day comprising a separate item for determining the items tainted by fraud.

At the outset it is helpful to distinguish between our reference to "subsistence expenses" and "actual subsistence expense" allowance. The latter refers to the actual expense allowance authorized under 37 U.S.C. § 404(d) (1970). "Subsistence expenses" however is a general term referring to both those expenses associated with per diem and those associated with actual subsistence expense allowance payments. Therefore, for the purpose of question b the terms are the same, and the question is answered, yes.

Question c asks whether an individual who submits a claim for per diem in which lodgings are fraudulently misrepresented can nonetheless be paid his meals and other expenses included in his per diem claim. Similarly, question d asks whether an individual on an actual expense allowance who submits a fraudulent lodging receipt should be denied payment only for lodging, or for that amount plus his other subsistence expenses, e.g. food and laundry, as well.

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Our general rule is that "each separate item of pay and allowances is to be viewed as a separate claim," and only those separate claims which are fraudulent are to be denied. 41 Comp. Gen. 285, 288 (1961). Furthermore:

"As to what constitutes a separate claim for these purposes, such an item is one which the employee could claim independently of his other entitlements. Accordingly, a fraudulent claim for per diem would not necessitate the denial of the other separate items on the voucher, which are not fraudulently based. As to subsistence expenses, the voucher may be separated according to individual days whereby each day comprises a separate item of per diem or actual subsistence expense allowance. \* \* \* A fraudulent statement for any subsistence item taints the entire subsistence claim for the day." (Emphasis added.) 57 Comp. Gen. 664, 667.

As this passage indicates, each day of per diem or each day of actual subsistence allowance is a separate item for the purpose of evaluating what parts of a voucher which contains or is supported by fraudulent statements may be paid. Although various individual expenses are included within an item, it is the entire item that is disallowed. Because per diem under the lodgings-plus system includes all charges for meals, lodging and other expenses, a fraudulent representation of lodging costs taints the entire item of per diem for a given day. Similarly, such a fraudulent submission for lodging submitted pursuant to an actual subsistence expense allowance taints the entire item of allowance for the specific day involved. Therefore, questions c and d are answered yes.

*Milton J. Fowler*

For the Comptroller General  
of the United States